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consumer@utc.wa.gov

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800-416-5289

Education and Outreach
360-664-1110

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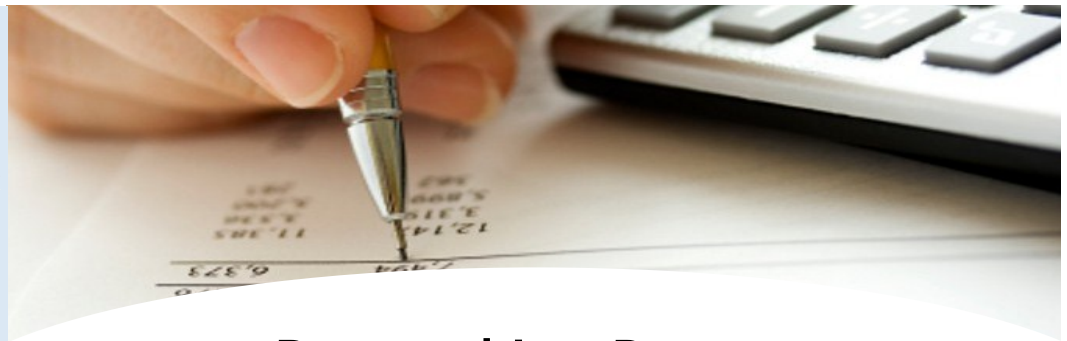
The UTC regulates the services of private or investor-owned utility and transportation companies. Our mission is to ensure that services are fairly priced, available, reliable and safe.

Regulated companies:

- Telephone
- Electricity
- Natural Gas
- Water
- Garbage
- Recycling
- Residential Movers
- Charter Buses
- Airport Shuttles
- Commercial Ferries
- Natural Gas Pipeline

General Information
360-664-1160
www.utc.wa.gov

PO Box 47250
1300 S Evergreen Pk Dr SW
Olympia WA 98504



Rate-making Process

In Washington state, the Utilities and Transportation Commission (UTC) is charged with ensuring private or investor-owned energy, water, telephone and garbage companies are providing services that are fairly priced, reliable and safe. Regulated companies must receive approval from the commission to adjust the rates they charge for service. These formal requests, known as general rate cases, are adjudicated proceedings with a judge, parties, evidence and hearings.

How do I learn about rate cases?

Companies regulated by the commission must give their customers a minimum of 30 days advance notice for any proposed rate increase. The notice must explain how the company's proposal would affect them and how to comment before the commission takes action.

How often can a regulated company apply for a rate increase?

There are no restrictions on how often a utility can request a rate increase. However, the company must prove to the commission that it requires additional revenue to provide safe and reliable service.

What does the commission consider when it reviews rates?

Commission staff look at five main issues:

- The cost to provide service based on 12 months of financial records.
- The company's total investment in equipment to provide service.
- The appropriate profit level the company should be allowed for its investments.
- The appropriate amount that each customer class (i.e., residential, commercial or industrial) should pay.
- The overall rate design. The two primary goals of rate design are to allow rates to match the company's required revenue to run its operations and allocate the costs to the appropriate customer group (i.e., residential, commercial, or industrial). Additional goals for rate design are to minimize complexity, stabilize costs by reducing uncertainty, encourages utilities to minimize costs, encourage conservation, improve affordability for low-income customers, and encourage economic development.

What happens during a rate case?

- The company submits a request to change rates.
- The new rates become effective unless the commission suspends the filing at a public meeting.

Ratemaking Process

- If the request is suspended, an administrative law judge holds a prehearing conference. This meeting identifies what groups will actively participate in the case, and sets the schedule for testimony and hearings.
- The company's request is accompanied by supporting documents and written testimony about the request. The parties and commission staff also submit written testimony with their findings.
- The company then files written testimony in response to the parties' testimony.
- All witnesses are made available for cross-examination in a series of hearings that can take from one day to two weeks before the three commissioners.
- Public hearings are held to give customers a chance to comment on the case directly to the commissioners. This information, along with comments submitted to the commission become evidence in the case.
- The final arguments or briefs are presented in writing to the commission.
- The commissioners make a decision and issue a final order.
- Any of the parties to the case may request the commission clarify or reconsider the final decision. Parties may also appeal the commission's decision to Superior Court.

How do I comment or receive updates on a rate case?

Customers can submit comments on a rate case:

- Online at www.utc.wa.gov/comments;
- Call 1-888-333-WUTC (9882);
- Email comments@utc.wa.gov; or
- Mail P.O. Box 47250, Olympia, WA 98504-7250. Please include a return address and a description of the filing.